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| 09/740,988 | 12/21/2000 | Hiroshi Arita | | 5452 |

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MATTINGLY, STANGER & MALUR, P.C.
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EXAMINER

COSIMANO, EDWARD R

| ART UNIT | PAPER NUMBER |
|----------|--------------|
|----------|--------------|

3629

DATE MAILED: 05/05/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/740,988

Applicant(s)

ARITA ET AL.

Examiner

Edward R. Cosimano

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ML

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 18 February 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 19-21, 23-28, 30 and 31 is/are pending in the application.
- 4a) Of the above claim(s) none is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 19-21, 23-28, 30 and 31 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 12/21/00 & 2/18/04 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☒ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☒ Certified copies of the priority documents have been received in Application No. 09/290,170.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date <u>2/18/04</u> . | 6) <input type="checkbox"/> Other: _____ |

1. Applicant should note the changes to patent practice and procedure:
 - A) effective December 01, 1997 as published in the Federal Register, Vol 62, No. 197, Friday October 10, 1997;
 - B) effective November 07, 2000 as published in the Federal Register, Vol 65, No. 54603, September 08, 2000; and
 - C) Amendment in revised format, Vol. 1267 of the Official Gazette published February 25, 2003.
2. The proposed new sheets of drawings filed February 18, 2004 have been approved, since they implement previously approved drawing changes with the exceptions noted below.
 - 2.1 The substitute specification has been entered and is the official specification for the instant application.
3. The combined set of drawings filed December 21, 2000 and February 18, 2004 is objected to because
 - A) the following errors have been noted in the drawings:
 - (1) the drawings are objected to as failing to comply with 37 CFR § 1.84(p)(5) because they do not include the following reference sign(s) mentioned in the description:
 - (a) 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511 & 512 as disclosed in the paragraphs between page 20, line 4, and page 21, line 8, of the substitute specification filed February 18, 2004 "Fig. 5 is a flow chart ... the interchange in a free market style."
 - (2) fig. 6 lacks the title legend "CANADA SYSTEM" for the feature of the invention designated as 51, note the proposed drawing changes filed December 21, 2000.
 - (3) the drawings are objected to as failing to comply with 37 CFR § 1.84(p)(5) because they include the following reference sign(s) not mentioned in the description:
 - (a) 52 of figs. 15 & 16 as these figs. are described in the paragraphs between page 39, line 3, and page 40, line 13, of the

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substitute specification filed February 18, 2004 "Fig. 15 is a view ... delay timers 154, 155 of Fig. 15.", (note the related objections below).

(4) as can be seen in figs. 15 & 16 (as amended February 18, 2004) and from the context of the disclosure as amended February 18, 2004, in the paragraphs between page 39, line 3, and page 40, line 13, "Fig. 15 is a view ... Canada system 51 and Russia system 21 ... delay timers 154, 155 of Fig. 15.", in figs. 15 & 16 reference number "52" should be -21--, (note the related objections above and below).

3.1 A proposed drawing correction or corrected drawings are required in reply to the Office action to avoid abandonment of the application. The objection to the drawings will not be held in abeyance.

3.2 Applicant is required to submit a proposed drawing correction in reply to this Office action. However, formal correction of the noted defect may be deferred until after the examiner has considered the proposed drawing correction. Failure to timely submit the proposed drawing correction will result in the abandonment of the application.

4. The disclosure is objected to because of the following informalities:

A) applicant must update:

(1) the continuing data on page 1,

with the current status of each of the referenced applications, e.g., --now abandoned--, or --now patent #?--, or --which is abandoned and now serial number #?--, etc.

B) as required by 37 CFR § 1.84(p(5)) and 37 CFR § 1.121(e) the specification lacks an explicit reference to the nature of:

(1) reference legend(s):

(a) 12d & 124 of fig. 12 as this figure is described in the paragraph between page 35, line 20, and page 37, line 6, of the substitute specification filed February 18, 2004 "Fig. 12 is a view ... power generation equipment 12b and load 12e." (note the related objection below); and

(2) 52 of figs. 15 & 16 as these figs. are described in the paragraphs between page 39, line 3, and page 40, line 13, of the substitute specification filed February 18, 2004 "Fig. 15 is a view ... delay timers 154, 155 of Fig. 15.", (note the related objections above).

In this regard, it is noted that merely mentioning either a feature or a number with out mentioning the device or operation or number or feature relies on the drawing to provide support for the disclosure and not to aid in the understanding of the invention, as is the purpose of the drawings (37 CFR § 1.81(a,b)).

C) applicant should elect the phrase "MARKED UP VERSION OF" found at line 1 of page 2.

D) as can be seen in fig. 12 and from the context of the paragraph between page 35, line 20, and page 37, line 6, (as amended on February 18, 2004) "Fig. 12 is a view ... contract. The description above also applies to system 22 which has power storage equipment 126, power generation equipment 12a and load 12f. Similarly, system 122 which has power storage equipment 125, power generation equipment 12b and load 12e.", at:

(1) the third line from the end of this paragraph "126" should be -124--,

and

(2) the second line from the end of this paragraph "12f" should be -12d-

-.

E) applicant should elect the phrase "MARKED UP COPY OF" found at line 1 of page 22.

Appropriate correction is required.

5. The specification and drawings have not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification or drawings. Applicant should note the requirements of 37 CFR § 1.74, § 1.75, § 1.84(o,p(5)), § 1.121(a)-1.121(f) & § 1.121(h)-1.121(i).

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6. Claims 19-21, 23-28, 30 & 31 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

6.1 In regard to claim 19, a method of settling the exchange of power between two different countries is set forth, where one of the two countries supplies a portion of the power demand for the other country and the settlement is in terms of something called “environmental value”. However, since for example:

A) each country would have it's own regulations concerning the release of pollution, note the EPA in the United States;

B) each country may have international disputes over pollution crossing the border from one of the countries into the other country, note the disagreement between Canada and the United States over this matter;

C) such a method of settlement would require an international treaty that addresses how the environment concerns are to be handled by each of the parties to the treaty; and

D) it is unclear from the claims what is to be considered as “environment value”;

It is unclear, vague and indefinite how one of ordinary skill could implement the claimed invention in regard to determining what is “environment value” and how such a settlement would be implemented by the participating countries.

6.2 In regard to claim 19, lines 10-11, “with environmental value including such as of carbon oxide emission.” Is confusing, since although the level of carbon oxide emissions would be recognized as an “environmental value” it is unclear how the “the right of carbon oxide emission” would be considered as an “environmental value”.

6.3 Further in regard to claim 19, applicant's inclusion of the phrase “such as” at line 10, is vague and confusing, since it is unclear whether or not the “environmental value including a right” is to include the “carbon oxide emission”, Ex parte Hall, 83 USPQ 38 (Bd. App. 1949).

6.4 Claims 19-21, 23-28, 30 & 31 are inoperative and therefore lack utility for the recited purpose of the disclosed and claimed invention, since:

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A) for the reason set forth above in points (A)-(D) above in section 6.1, one of ordinary skill could not implement a usable version of the claimed invention.

For as the Court has specifically pointed out, claims must recite utility for the disclosed purpose of the invention, (General Electric Co. V. U.S., 198 U.S.P.Q. 65 (U.S. Court of Claims, 1978), Hanson v. Alpine Valley Ski Area 204 U.S.P.Q. 794 (District Court, E. D. Michigan, N. Div. 1978) and Banning v. Southwestern Bell Telephone C., 182 U.S.P.Q. 683 (SD Tex, 1974)).

6.5 In regard to claim 30, since claim 29 has been cancelled, the scope and meaning of claim 30 which depends from cancelled claim 29 can not be determined.

6.6 Claims not specifically mentioned above, inherit the defects of the base claim through dependency. For the above reason(s), applicant has failed to particularly point out what is regarded as the invention.

7. The following is an Examiner's Statement of Reasons for Allowance over the prior art:

A) the prior art, for example:

(1) Cohn (3,701,891) which discloses that the interchange of power between two areas is accomplished by scheduling a balanced transfer of energy.

(2) Johnson et al (6,047,274) which discloses the practice of trading energy between suppliers and end users as well as the settlement of such a trade.

(3) the Transmission & Distribution World article, which discloses that in 1995 the South African Power Pool coordinates the cooperation between multiple international countries in the exchange of power.

B) however in regard to claim 19, the prior art does not teach or suggest the settlement of a power exchange using environmental value. Claims 20-22 are allowable over the prior art for the same reason.

C) however in regard to claim 29, the prior art does not teach or suggest the exchange of power using AC to DC converters controlled remotely over a communications link using delay timers. Claim 30 is allowable over the prior art for the same reason.

8. Response to applicant's arguments.

8.1 All rejections and objections of the previous Office action not repeated or modified and repeated here in have been overcome by applicant's last response.

8.2 As per the objection to the drawings, since:

A) applicant failed to address the objection in section (2)(A)(2) of the Office action mailed October 23, 2003, this objection has been modified in view of the February 18, 2004 amendment and maintained by the examiner, see above in section (3)(A)(1)(a).

B) the remaining objections were created by the February 18, 2004 amendments.

Hence, applicant's arguments are non persuasive.

8.3 As per the objection to the drawings, since:

A) applicant failed to completely address the objection in section (3)(B)(1)(c) of the Office action mailed October 23, 2003, this objection has been modified in view of the February 18, 2004 amendment and maintained by the examiner, see above in section (4)(B)(1)(a).

B) the remaining objections were created by the February 18, 2004 amendments.

Hence, applicant's arguments are non persuasive.

8.4 As per the 35 U.S.C. § 112 2nd paragraph rejection, since:

A) applicant failed to completely address the rejections in section (5.1 & (5.2) of the Office action mailed October 23, 2003, these rejections have been maintained by the examiner, see above in section (6.1) & (6.4).

B) the remaining objections were created by the February 18, 2004 amendments.

Hence, applicant's arguments are non persuasive.

9. Claims 19 & 23 would be allowable if rewritten or amended to overcome the rejection under 35 U.S.C. § 112. Claims 20, 21, 24-28, 30 & 31 would be allowable if rewritten to overcome the rejection under 35 U.S.C. § 112 and to include all of the limitations of the base claim and any intervening claims. As allowable subject matter has been indicated, applicant's

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response must either comply with all formal requirements or specifically traverse each requirement not complied with. See 37 C.F.R. § 1.111(b) and section 707.07(a) of the M.P.E.P.

10. The shorten statutory period of response is set to expire 3 (three) months from the mailing date of this Office action.

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Edward Cosimano whose telephone number is (703) 305-9783. The examiner can normally be reached Monday through Thursday from 7:30am to 6:00pm. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss, can be reached on (703)-308-2702. Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.

11.1 The fax phone number for UNOFFICIAL/DRAFT FAXES is (703) 746-7240.

11.2 The fax phone number for OFFICIAL FAXES is (703) 872-9306.

11.3 The fax phone number for AFTER FINAL FAXES is (703) 872-9306.

04/29/04



Edward R. Cosimano
Primary Examiner A.U. 3629